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Lafayette, Louisiana
October 25, 2004

Hon. James H. Welsh
Commissioner of Conservation
Office of Conservation
Post Office Box 94275
Baton Rouge, Louisiana 70804-4275

Re: 11,300' Het Sand, Reservoir B
Het Zone, Reservoirs A and B
Leleux Field, Vermilion Parish, Louisiana

Dear Commissioner Welsh:

Application is hereby made on behalf of **DAVIS PETROLEUM CORP.** for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters relating to the Het Zone, Reservoirs A and B, in the Leleux Field, Vermilion Parish, Louisiana:

1. To dissolve the existing 11,300' Het Sand, Reservoir B, in the Leleux Field, Vermilion Parish, Louisiana, established by Office of Conservation Order No. 341-K-1, effective August 25, 1998. Simultaneously therewith, to establish rules and regulations and to create a single drilling and production unit for the exploration for and production of gas and condensate from the Het Zone, Reservoirs A and B, in the Leleux Field, Vermilion Parish, Louisiana, said units to be designated HET RA SUA and HET RB SUA, all as shown on the plat attached hereto and made a part hereof.

2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit with each tract sharing in unit production on a surface acreage basis of participation.

3. To provide that any wells drilled to the Het Zone, Reservoirs A and B, should be located in accordance with the provisions of LAC 43:XIX.1901 et seq. (Statewide Order No. 29-E).

4. To provide that the Commissioner of Conservation should be authorized to reclassify the Het Zone, Reservoirs A and B, in the Leleux Field, by supplemental order without the necessity of a public hearing if the producing characteristics of such reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation.

5. To consider such others matters as may be pertinent.

The 11,300' Het Sand, Reservoir B, in the Leleux Field, Vermilion Parish, Louisiana was previously defined in Office of Conservation Order No. 341-K-1, effective August 25, 1998.

The Het Zone, in Leleux Field, is hereby defined as being that gas and condensate bearing zone encountered between the depths of 11,246 feet and 11,600 feet (electrical log measurements) (true vertical depths of 11,236 feet and 11,590 feet) in the Louisiana Gas Development – U. Simon No. 1 Well located in Section 14, Township 11 South, Range 1 East, Vermilion Parish, Louisiana.

Pertinent data, including well logs, may be obtained **AT THE COST OF THE REQUESTING PARTY** from David Comeaux, Leon Comeaux & Associates, P. O. Box 53922, Lafayette, Louisiana 70505, Telephone Number (337) 233-9839.

Pursuant to the Rules of Procedure, a pre-application conference was held on October 11, 2004, in Lafayette, Louisiana, at which the parties named on the attached list were in attendance. The conference was opened by representatives of the applicant who explained the applicant's unit proposals. Questions were asked and answered regarding same. Counterplans were presented on behalf of the Adam Family and Gerald Broussard. Differences could not be resolved at the conference which was then adjourned. Through discussions with the represented parties following the conference, a resolution of differences has been reached between the applicant and said represented parties. Sand Unit A remains unchanged, but Sand Unit B has been slightly enlarged. We are not aware of any remaining opposition to the compromise proposal attached hereto.

Attached hereto and made a part hereof is a plat outlining the applicant's proposal, along with the conference attendance list and a list of the names and addresses of the Interested Owners, Represented Parties, and Interested Parties to whom a copy of this application is being mailed. Pursuant to the Revised Rules of Procedure, such list of parties is being furnished only to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation; however, the list of parties will be furnished to any party requesting copies. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

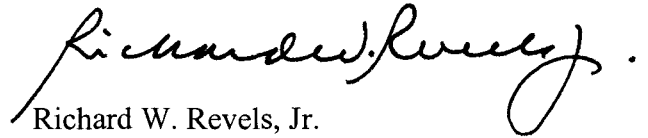
October 25, 2004

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Finally, enclosed is our check on behalf of the applicant, in the amount of \$1,510.00 made payable to the Office of Conservation and representing the required hearing application fee.

Very truly yours,

A handwritten signature in black ink, reading "Richard W. Revels, Jr." with a stylized flourish at the end.

RWRjr/dbf
Attachments

cc: Mr. Richard Hudson, Lafayette District Office of Conservation
cc: Interested Owners, Represented Parties and Interested Parties

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